



THE CITY OF REDMOND
OFFICE OF THE MAYOR

January 2005

Dear Citizens of Redmond and Members of the City Council:

This 2005-2006 biennial budget serves as a record of promises kept and of our future commitment to the community on the services citizens can expect. In this way, it marks the City's progress in accomplishing many of the goals of the past biennium and presents workplan priorities for the next two-year period. The budget outlines the financial framework for our efforts and demonstrates the fiscally responsible management of City resources, as the administration works to keep services strong and cost-effective and invests in the future to build and maintain a high quality of life in Redmond.

To gauge citizen satisfaction with basic services and to assess where further resources may be needed, the City conducted its fourth biennial statistical survey prior to the budget development process. This survey focused on identifying residents' priorities and customer service concerns to assist City staff in developing a budget that reflects what the community wants. By building on similar efforts conducted prior to previous budgets, the City is establishing a track record that helps to evaluate how well we are doing over time in responding to the issues most important to our citizens. These and future surveys, along with other ongoing forms of formal and informal communications, will guide our continuing efforts to reassess the work we do, to measure performance, and to adapt to our changing community.

Given these continuing lean economic times, most of our budget resources are dedicated to simply maintaining essential City services and infrastructure. Aside from the additional debt service payments for City Hall, the only new initiative I proposed is in the information technology area with a records management system to facilitate our transition to the new building and continue our space and system efficiency improvement efforts. Beyond this initiative, our focus remains on the priorities our citizens have consistently reiterated are most important to them within the limited means we have available. In its deliberations this fall, the Council also increased funding for affordable housing and arts activities.

While I am presenting a balanced budget for FY 2005-06, it is important to highlight the considerable efforts that went into this proposal, as well as the underlying assumptions and other potential future impacts. I have worked hard with staff in reducing the City's costs, as we reviewed with the Council over several special budget meetings this past summer. The budget includes some of these reductions, together with other ongoing cost containment measures in the area of employee benefits, system efficiencies and other process improvements.

While the City's finances have been holding their own in a sluggish economy, it is important to note we have spent considerable time and effort with the Council in the months preceding the budget to offer a budget primer series and to highlight the fiscal challenges we face. These concerns were further underscored in late September when the City received notice of increased PERS and LEOFF contribution rates. For the FY 05-06 budget, the administration has built on our discussions with the Council to date and presented a balanced budget using a combination of measures, including expenditure reductions, prudent use of one-time resources, and new revenue proposals.

Also consistent with our prior biennial budgets, past accomplishments and future workplan priorities are presented in the context of the City's six Strategic Directions following this letter. These Strategic Directions emerged from a series of conversations among the elected and appointed leaders of Redmond City government and intensive work by a dedicated group of City employees. Also presented is the 2004 retreat work by the newly constituted City Council on its objectives and strategies for the future. This important work, summarized here on the pages following the discussion of Strategic Directions and included in many of the departmental budget narratives, affirms many of the City's ongoing efforts, as well as provides further direction for the future. We look forward to our continuing conversation with the Council to translate this work into the desired outcomes to further the Council's emphasis on the three primary themes of community, regionalism, and diversity.

In closing, we are working hard to build and maintain ***Redmond, a community of good neighbors***, as our vision states. We continue to provide excellent value to taxpayers, while still receiving national recognition for our many efforts to keep and improve upon our community's quality of life. While the budget presents the fiscal overview of our efforts, it is only one of the ways in which we demonstrate this commitment. As we finalize our significant work with the community on the Comprehensive Plan Update and the Transportation Master Plan, we can further assess our progress in realizing this vision and rechart our course to ensure the sustainability of our community. I invite your comments, questions and suggestions about these issues and the services we provide. You can contact me by telephone at (425) 556-2101, fax (425) 556-2110, or email at mayor@redmond.gov.

Sincerely,

A handwritten signature in cursive script, reading "Rosemarie M. Ives".

Rosemarie M. Ives
Mayor